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Nashville Hosts 97th Annual IDEA Conference & Trade Show



DES and Constellation Energy Projects Services Group will host the 97th annual International District Energy Association (IDEA) Conference and Trade Show at (Continued on page 2)

General Manager's Corner

Meet the New GM

Constellation Energy Projects & Services (CEPS) group recently named Tim Hestle as general manager of the Nashville District Energy System (DES). In his new position, Hestle will continue to oversee the day-to-day operations of the energy system, and also have added financial responsibilities and be more involved in customer service.



Tim Hestle

"I'm looking forward to the added responsibility," said Hestle. "I want to help DES continue to provide reliable, efficient service and customer satisfaction."

Hestle's background is in construction and project management. However, he has been in the district energy business in Nashville for more than 20 years. He served in several capacities at the Nashville Thermal Transfer Corporation, serving as the plant's last general manager before it was demolished in 2003 and transitioned to DES. Hestle has been with Constellation Energy for two and a half years, most recently serving as operations manager prior to his promotion.

Hestle and his wife, Marcia, enjoy traveling and are the proud parents of two sons, both of whom serve in the U.S. Army. Harley, 27, is a specialist in military intelligence and is stationed at Fort Polk, La. Troy, 25, is a Stryker vehicle driver for an infantry unit and is currently stationed at Fort Lewis, Wash., but is scheduled to be deployed to Iraq in June. When not working at DES, Hestle enjoys carpentry, building projects and architecture. Other interests include golf, Titans football and trout fishing.



(cont) the Nashville Convention Center, June 11-14. More than 400 district energy professionals from around the world will come to participate.

All activities will be held in buildings connected to the DES system, providing the perfect opportunity for DES to show off its award-winning service and facility. A party at the Wildhorse Saloon will kick off the conference, which includes an exhibition with more than 60 of the leading companies and organizations involved in design, construction, operation and optimization of district energy systems, as well as numerous networking receptions, dinners and events.

The conference offers an extensive technical program featuring the following:

- District Energy Infrastructure Development
- District Cooling and Thermal Energy Storage
- Combined Heat and Power
- Renewable, Alternative and Biomass Fuels
- Environmental Compliance and Permitting
- System Optimization: Metering and Controls
- Sustainable District Energy Systems
- System Management, Maintenance and Operations

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Customer Spotlight

DES provides heating and cooling services to more than 40 buildings in the downtown Nashville area. The James K. Polk Building is one of the most unique customers on the system. Named for the 11th president of the United States and Tennessee resident James K. Polk, the 18-story office tower houses the Tennessee State Museum and the Tennessee Performing Arts Center (TPAC).

The Tennessee State Museum is one of the largest state museums in the nation and has more than 60,000 square feet of permanent exhibits and a 10,000-square-foot changing exhibition hall. Artifacts in the exhibits date as far back as 15,000 years and continue through the early 1900s interpreting the state's history. The museum houses special displays of artifacts produced by Tennesseans. The steam and chilled water service provided by DES not only heats and cools the building, but also provides humidification for these priceless artifacts.

TPAC is the state's leading performing arts and arts education center. Among its many operations, TPAC presents a series of Broadway shows and special engagements and administers a comprehensive education program. It is also home to four resident performing arts organizations: Nashville Ballet, Nashville Opera Association, The Nashville Symphony, and Tennessee Repertory Theatre. TPAC has four different venues for performances. The Andrew Johnson Theater is the smallest and seats approximately 250 people. The Andrew Jackson Hall seats nearly 2,500. DES is able to keep the different-sized venues at comfortable temperatures, no matter the size of the crowd.

DES serves many buildings in different capacities and is especially proud to be able to serve a building so important to Tennessee's history and culture.



James K. Polk Building



IDEA will recognize industry leaders and innovators at the Annual Awards Luncheon and Chairman's Dinner. Technical tours of the DES facility and Vanderbilt University Campus Energy System are also planned.

John Schaffer Promoted to Vice President of Operations



CEPS Group has named John Schaffer vice president of operations. In his new role, he directs all operations of CEPS, including build-own-operate projects, day-to-day management of energy service and multiple central plants. He is responsible for the preparation and implementation of department budgets and long-term capital improvement projects.

Schaffer has been with DES since 2002, most recently serving as general manager. He was responsible for managing the Thermal Plant and the successful start-up, transition and operations of the new system. He has more than 30 years of experience in the energy services field, including more than six years with CEPS. Prior to joining CEPS, Schaffer served in a similar role at Trigen Energy Corporation.

New Metering Panels Benefit Customers and Metro DES

In an effort to provide customers with more detailed energy-use data and better service, DES recently installed new meters in most customer buildings. In addition, incorrectly designed metering systems were reconfigured to improve accuracy.

According to General Manager Tim Hestle, the new metering panels offer benefits for DES, too.

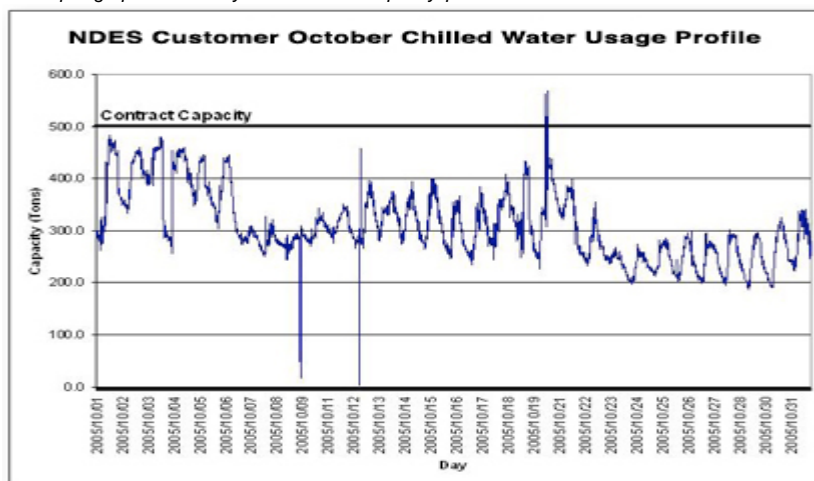
"This new program will allow DES to use software technology to accurately model and analyze the performance of our distribution network," Hestle said. "It will also provide a means for customers to more easily monitor their facility's energy consumption."

The new panels record, store and securely send energy data via the Internet to the DES server. The data is then converted to graphs that display monthly energy flow rates, such as steam and chilled water usage or building performance against ambient temperatures. These graphs will be uploaded for each customer to view by logging on to the DES Web site through a secure Web link. Every month, old graphs will be archived to a separate link, and new graphs will be available on the customer link.

Panel display screens can be remotely viewed by using the metering panel IP address. Energy data can also be downloaded to removable memory cards. Customers' building energy management systems can use real-time data by hooking on to the metering devices via a Modbus connection. In addition, the new panels allow e-mail alarms to be sent directly to customers when peak energy usage is exceeded.

A clearer knowledge of a building's energy performance will allow customers to identify and eliminate undesirable trends in energy consumption and easily compare monthly energy consumptions to historical data located in the building archives. According to Hestle, data from the new panels will also give customers the ability to forecast their buildings' energy consumption.

Example graph of monthly chilled water capacity profile:



Metro DES Recognized for Exceptional Service

In 2005, DES was recognized by two organizations for the exceptional services it provides:

The American Council of Engineering Companies of Tennessee (ACEC) recognized DES with the 2005 Grand Award for Engineering Excellence.



Smith Seckman Reid, a Nashville-based engineering design and facility consulting firm, earned the top award in the ACEC of Tennessee annual statewide awards competition for its work on DES. The project involved engineering, planning and design, construction administration and commissioning services for the central energy plant.



DES was also given the 2005 Public-Private Partnership Award in the Infrastructure Category. The award was presented by the National Council for Public-Private Partnerships to the Metropolitan Government of Nashville and Davidson County for its successful partnership with Constellation Energy Projects & Services Group in development of the new DES. The prestigious award recognizes organizations that have successfully completed a unique and innovative public-private partnership.

Energy Costs Increase Fiscal Year 2007 Budget

The DES budget for Fiscal Year 2007 increased more than \$3 million over Fiscal Year 2006. The 15 percent increase is a result of 21 percent higher energy costs, especially in natural gas.

The FY2007 budget has a 1.1 percent decrease in capital budgeting, which helps mitigate the energy costs.

According to Metro DES contract administrator Harvey Gershman, the budget is very reasonable, considering energy prices worldwide. "The budget reflects a significant balance between cutting costs and continuing to provide excellent service to our customers," Gershman said. "Aside from energy, we have actually lowered our projected spending for Fiscal Year 2007."

Gershman pointed out that because DES buys natural gas in bulk at set prices, customers are protected from extreme price fluctuations in the volatile natural gas market.